

DETROIT LAND BANK AUTHORITY

BOARD OF DIRECTORS MEETING
GUARDIAN BUILDING
500 Griswold St, Suite 1200 • Detroit, Michigan
(Belle Isle Conference Room)

Tuesday, May 24, 2016

2:00 PM

MINUTES

Present: Erica Ward-Gerson
Richard Hosey
Larry Lipa
Rasul Raheem
Patricia Pernell-Shelton

Others Present: Detroit Land Bank Authority (DLBA) staff

CALL TO ORDER

Chairperson Ward-Gerson called the May 24, 2016 meeting to order at 2:02 P.M.

ROLL CALL

All Board members were present and a quorum was met.

ADOPTION OF THE AGENDA

Chairperson Ward Gerson called for the adoption of the agenda, **Motion by Member Lipa to adopt the agenda. Supported by Member Hosey. MOTION APPROVED.**

REVIEW AND APPROVAL OF MINUTES

Motion by Member Raheem to adopt the April 19, 2016 and May 5, 2016 minutes. Supported by Member Hosey. MOTION APPROVED.

PUBLIC COMMENT

Chairperson Ward Gerson opened the floor to public comment, noting none was offered.

EXECUTIVE DIRECTOR'S REPORT

Carrie Lewand-Monroe, Executive Director, provided an update to the Board. Mrs. Lewand-Monroe reported the major items over the past month included: refining and improving Disposition processes, exceeding the milestone of 4,000 side lot sales, planning and executing another round of HHF demolition funding, continuing to ramp up the Nuisance Abatement Program and implementing a plan for improved customer service. Mrs. Lewand-Monroe announced that DLBA was again chosen to participate in the JPMorgan Chase Service Corps (JPMC). Beginning June 11, 2016, the JPMC Detroit Service Corps will assist the Finance Department with updating its accounting policies and procedures based on the newly implemented Financial Force system and the creation/expansion of many of the DLBA programs over the last eighteen months.

Disposition

Mrs. Lewand-Monroe reported the Dispositions Department has been working to enhance inter-department synergies. Meetings are currently underway to identify process improvements, focusing especially on metric reporting, with some improvements already implemented and seeing successes early on, such as with the Community Partners program. Other process improvements included: implementing in-house closings for vacant land sales of less than 5 parcels, resulting in 31 sales in one week, plus an average savings of \$200 per property in closing costs; restructuring amongst the Sales & Programs team to streamline eligibility and application processing in preparation for an increased demand in auction, direct and side lot sales. Mrs. Lewand-Monroe announced Amber Elliot will be joining the DLBA as the new Community Partners Program Manager, welcomed Jano Hanna, Assistant Director, Economic Development, back from maternity leave and announced that Luke Polcyn will continue to assist with Economic Development projects. Mrs. Lewand-Monroe reported the following program numbers as of 5/20/2016: Side Lot sales, 4,113; Auction sales, 1,012; Auction closings, 681; Community Partners sales, 442; Community Partner closings, 324; Own It Now sales, 190; Rehabbed and Ready, 13 closings, 5 closings in process, and 9 under construction; Buy Back residents served, 32.

Legal

Mrs. Lewand-Monroe reported the Legal Department began its "reboot" of the NAP team by hiring several new staff members as a part of its return to full capacity, which calls for a designated attorney and paralegal for each district. This included the following additions: Attorney Tere McKinney (District 5), Attorney Brooke Jordan (District 7), Paralegal Barbara Sinicki (District 4), Paralegal Candace Griffey (Districts 2, 3). Mrs. Lewand-Monroe reported that Michael Brady, General Counsel, and the Quiet Title team have been working diligently to obtain title insurance on tax foreclosed properties without first needing quiet titles. Over the last several weeks DLBA has received "clear to close" on 74% of our tax foreclosed properties, as opposed to the previous average of 25% - 30%.

Demolition

Mrs. Lewand-Monroe reported that the spend-down of HHF Round 2 funding is on target to meet the program deadline. The current spend-down amount is \$36,209,518 with a goal of \$50M spent by July 15th. All HHF Round 3 funds (\$21M) have been committed to specific addresses and the DLBA anticipates demolishing 1,200 properties in that round. The HHF Round 4 Blight Participation Agreement was executed for \$41.9M. The DLBA anticipates demolishing roughly 2,600 properties under this round and moved forward with RFPs for asbestos abatement and demolition. Mrs. Lewand-Monroe reported that over 350 people attended our recent Detroit Contractor Opportunity Fair held at the Northwest Activity Center. The team is creating metrics to measure the success and will share with the Board.

Inventory

Mrs. Lewand-Monroe reported that the Inventory Department continued its site assessments in the expanded HHF boundary areas, now with 94% of the properties assessed. Of properties assessed, 7,212 have been identified as salvageable for sales, and 10,861 were identified as requiring demolition.

Public Affairs

Mrs. Lewand-Monroe reported that the Community Engagement team of the Public Affairs Department welcomed a new Community Relations Associate, Rodney Wilson. As a result, the Community Engagement team attended over a dozen meetings in May, including: the Mayor's Charter mandated community meetings, community groups, block clubs and associations. The Spring 2016 marketing campaign for BuildingDetroit.org is nearing completion. Mrs. Lewand-

Monroe commented that the resulting metrics regarding the reach of the campaign are very encouraging and presented the percentages for Google analytics and click-through rates. The Client Services team is working diligently to improve the DLBA customer experience by attending an all-day customer service training and receiving weekly internal trainings and updated reference materials. Mrs. Lewand-Monroe reported the DLBA is also implementing a system to allow for call monitoring and metrics. Heather Zygmuntowicz, Operations Assistant Director, and Agrein Otis, IT Manager, distributed a summary on the DLBA's phone system's current and future states, provided an overview to the group and a discussion ensued. Member Hosey requested implementing a customer survey option and, if so, for the Board have an opportunity to review it.

STANDING COMMITTEE REPORTS

Finance and Audit.

Member Hosey provided the Finance and Audit Committee update. Member Hosey reported that the primary focus is on the Audit RFP process.

TREASURER'S REPORT

Michelle Story-Stewart, Chief Financial Officer, distributed the April 2016 Financial report, provided an overview to the group and discussion ensued. Chairperson Ward Gerson commented on the amount of information presented to the Board and requested a separate financial tool be used for future reporting.

OLD BUSINESS

Chairperson Ward Gerson opened the floor for any Old Business. None was outstanding.

NEW BUSINESS

Resolutions.

Resolution 05-04-2016, Resolution authorizing the Executive Director to enter a services agreement on behalf of The Detroit Land Bank Authority with the program compliance and audit firm selected through the request for proposals process. Chairperson Ward Gerson provided background, reviewed RFP scores with the group and a discussion ensued. The group decided to table the resolution and arrange for both applicants to provide a presentation to the Board prior to voting. Mrs. Story-Stewart will circulate RFP responses in advance of the presentations.

[At the June 7, 2016 Board Meeting, a corrective roll call vote was held pursuant to MCL 15.270(5) to address a potential procedural deficiency for the May 24, 2016 Closed Session. Secretary Raheem called roll for each Board Member for the May 24, 2016 Closed Session, **Unanimously Approved.**]

Chairperson Ward Gerson adjourned for Closed Session at 3:20 p.m.

CLOSED SESSION

In accordance with the State of Michigan's Open Meetings Act, Section 8, Closed Sessions are permitted. The conditions of such a Closed Session includes the following: 1) The Session must be for a "limited purpose," 2) the Session must be conducted during the course of an open meeting and 3) per Section 9(1) of the OMA, the minutes of the open meeting must include the purpose for which a closed session is held.

It is noted that the purpose of the Closed Session was called for a permitted purpose as described within OMA, Section 8(h): "to consider material exempt from discussion or disclosure by state or federal statute,"

specifically, Section 13(1)(g) of Michigan's Freedom of Information Act, which protects the attorney-client privilege.

Chairperson Ward Gerson re-opened public meeting at 4:15 p.m.

ADJOURNMENT

There being no further business, Chairperson Ward Gerson adjourned the meeting at 4:17 p.m.